

**EOG Resources, Inc.**  
**P.O. 1910**  
**Vernal, UT 84078**

December 22, 2005

Utah Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801


RE: APPLICATION FOR PERMIT TO DRILL  
CHAPITA WELLS UNIT 1089-22  
SE/NE, SEC. 22, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0284-A  
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Phone: (435)789-4120  
Fax: (435)789-1420

Sincerely,



Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

CWU 1089-22 B

**RECEIVED**  
**JAN 09 2006**  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

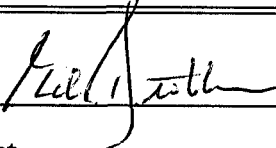
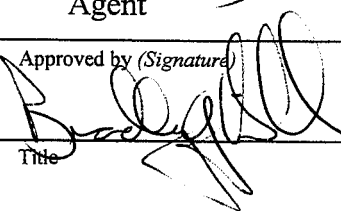
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-0284-A</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC.</b>		7. If Unit or CA Agreement, Name and No. <b>CHAPITA WELLS UNIT</b>
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1089-22</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43-047-37609</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface: <b>2256' FNL, 939' FEL</b> At proposed prod. Zone: <b>634883 X 40.022628 SE/NE</b> <b>4431255 -109.419383</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 22, T9S, R22E, S.L.B.&amp;M.</b>		12. County or Parish <b>UINTAH</b>
13. State <b>UTAH</b>		14. Distance in miles and direction from nearest town or post office* <b>18.55 MILES SOUTHEAST OF OURAY, UTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) <b>939'</b>	16. No. of Acres in lease <b>1240</b>	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth <b>9530'</b>	20. BLM/BIA Bond No. on file <b>NM-2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4921.6 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>45 DAYS</b>
24. Attachments		

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>December 22, 2005</b>
Title <b>Agent</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b> <b>ENVIRONMENTAL SCIENTIST III</b>	Date <b>01-17-06</b>
Title <b></b>	Office <b></b>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

Federal Approval of this  
Action Is Necessary

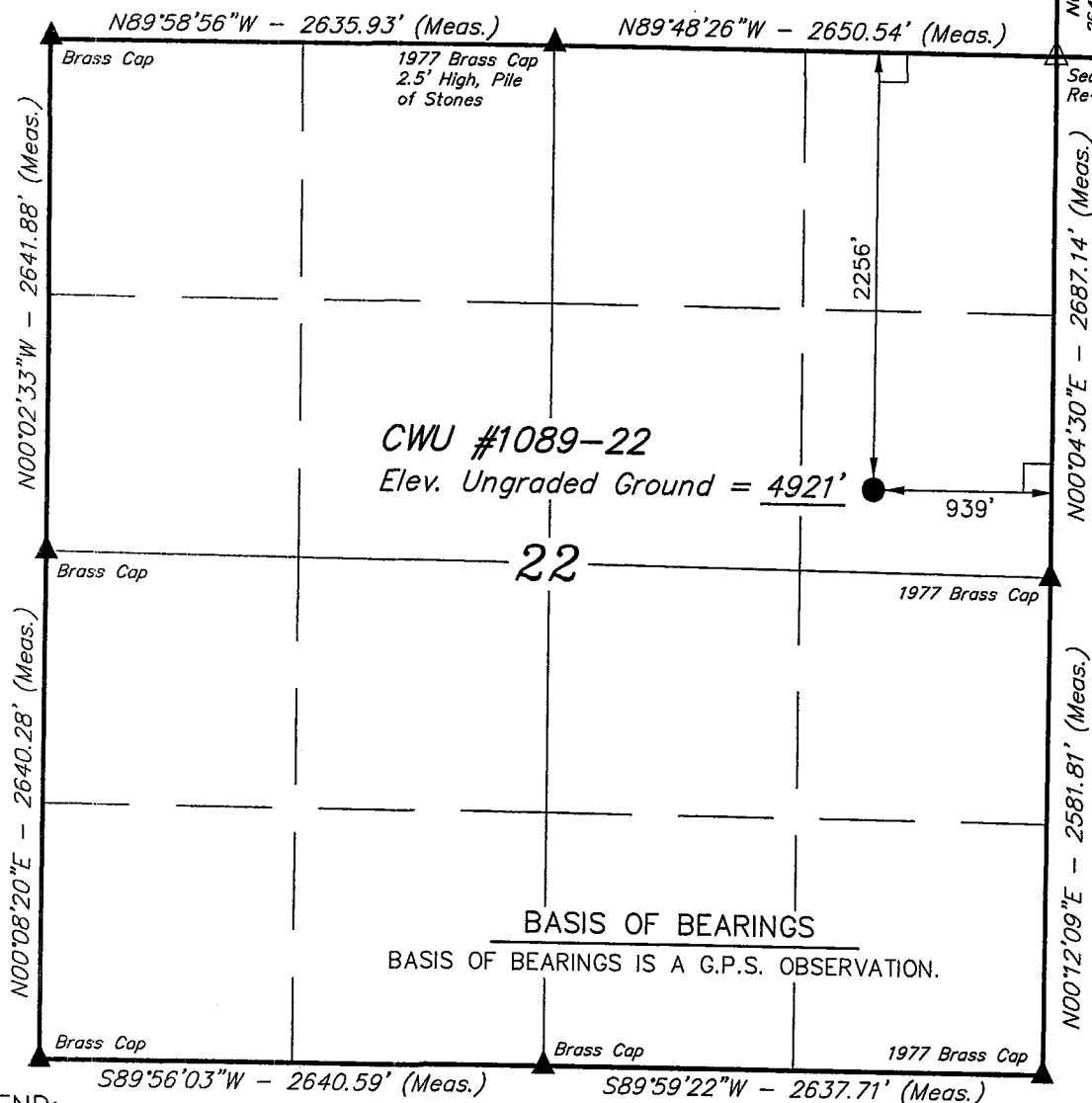
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T9S, R22E, S.L.B.&M.

E 1/4 Cor. Sec.  
15, Brass Cap

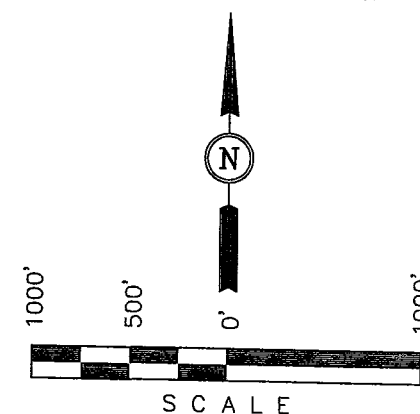
EOG RESOURCES, INC.

Well location, CWU #1089-22, located as shown in the SE 1/4 NE 1/4 of Section 22, T9S, R22E, S.L.B.&M. Uintah County, Utah.



### BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 151319  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

### LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED USING DOUBLE PROPORTION METHOD. (Not Set on Ground.)

(NAD 83)  
LATITUDE = 40°01'21.06" (40.022517)  
LONGITUDE = 109°25'12.03" (109.420008)  
(NAD 27)  
LATITUDE = 40°01'21.19" (40.022553)  
LONGITUDE = 109°25'09.57" (109.419325)

SCALE 1" = 1000'	DATE SURVEYED: 08-02-05	DATE DRAWN: 08-17-05
PARTY T.B. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1089-22**  
**SE/NE, SEC. 22, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,719'
Wasatch	4,741'
North Horn	6,666'
Island	7,134'
KMV Price River	7,385'
KMV Price River Middle	8,062'
KMV Price River Lower	8,842'
Sego	9,329'

Estimated TD: **9,530' or 200'± below Sego top**

**Anticipated BHP: 5,200 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 ½"	0' – 45'	13 ⅝"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note:** 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.  
**All casing will be new or inspected.**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1089-22**  
**SE/NE, SEC. 22, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**Float Equipment: (Cont'd)**

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.

**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1089-22**  
**SE/NE, SEC. 22, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, 1/4#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:** 140 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 920 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

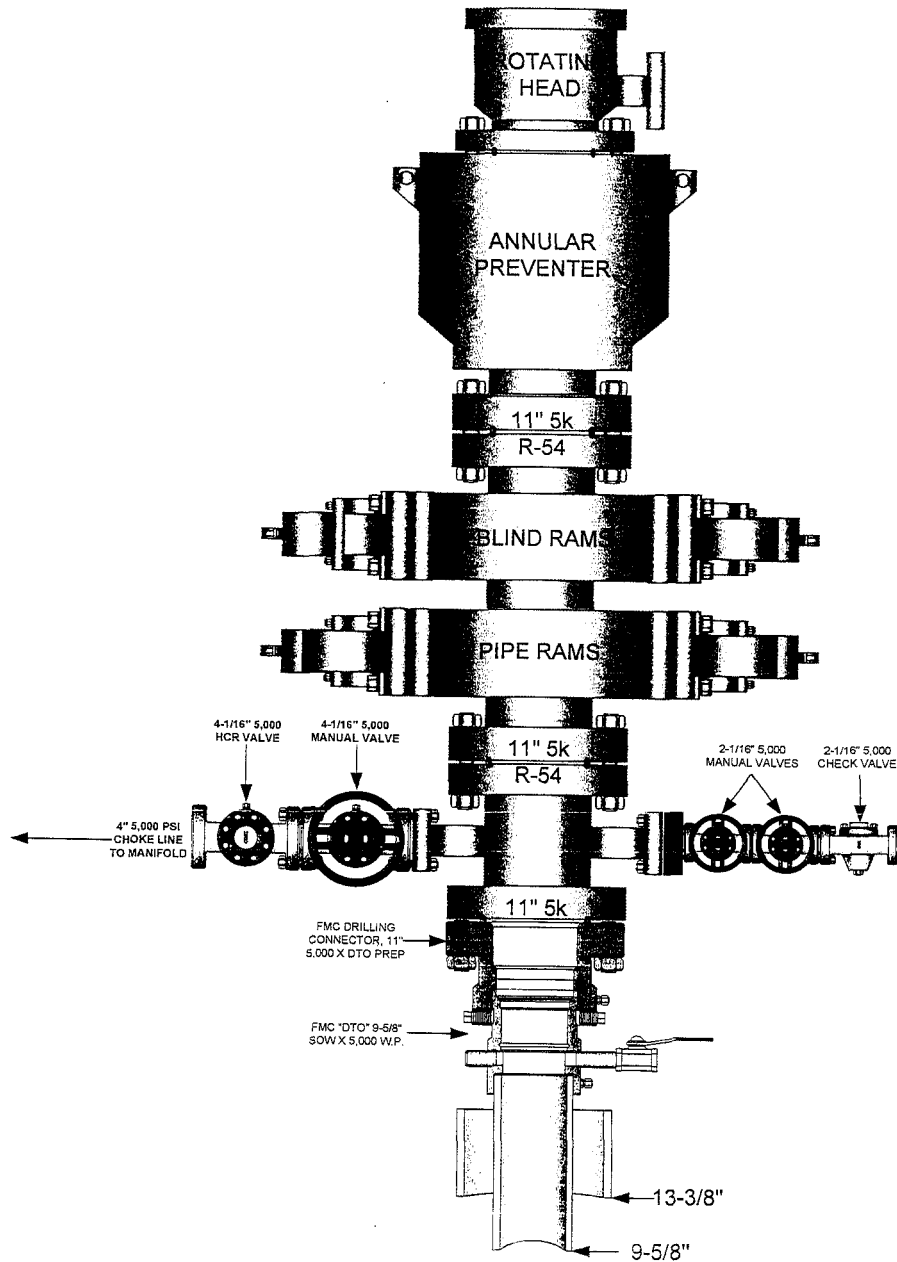
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

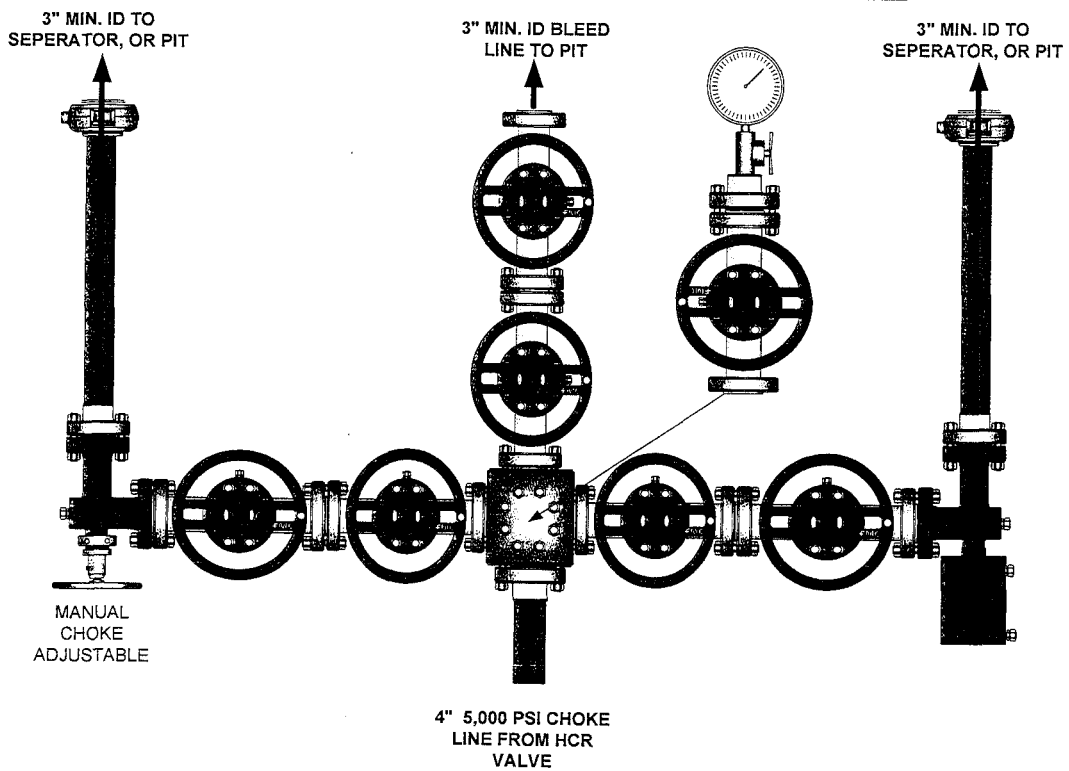
EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION  
W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



**CONDITIONS OF APPROVAL  
FOR THE SURFACE USE PROGRAM OF THE  
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Chapita Wells Unit 1089-22</u>
Lease Number:	<u>U-0284-A</u>
Location:	<u>2256' FNL &amp; 939' FEL, SE/NE, Sec. 22, T9S, R22E, S.L.B.&amp;M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

**NOTIFICATION REQUIREMENTS**

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and  
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related  
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production  
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## **THIRTEEN POINT SURFACE USE PROGRAM**

### **1. EXISTING ROADS**

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 18.55 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### **2. PLANNED ACCESS ROAD**

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Abandoned wells - 6\*

B. Producing wells - 61\*

(\*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 1344' from proposed location to a point in the NE/SE of Section 22, T9S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the West side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. **LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. **SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

**The reserve pit shall be lined with felt and a 12 mill plastic liner.**

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
  - Hi-Crest Crested Wheatgrass – 9 pounds per acre
  - Kochia Prostrata – 3 pounds per acre.

The final abandonment seed mixture for this location is:

- \* Gardner Salt Bush – 4 pounds per acre
- Shad Scale – 3 pounds per acre
- Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corner B. The stockpiled location topsoil will be stored North and East of Corner #6. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the East.

Corners #2 & #6 will be rounded off to minimize excavation.

### **FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## **10. PLANS FOR RESTORATION OF SURFACE**

### **A. PRODUCING LOCATION**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

**B. DRY HOLE/ABANDONED LOCATION**

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

**11. SURFACE OWNERSHIP**

Access road: Federal

Location: Federal

**12. OTHER INFORMATION**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification

from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**Additional Surface Stipulations**

None

**LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

**PERMITTING AGENT**

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Telephone: (435)789-4120  
Fax: (435)789-1420

**DRILLING OPERATIONS**

Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.




### Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1089-22 Well, located in the SE/NE of Section 22, T9S, R22E, Uintah County, Utah; Lease #U-0284-A;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

12-22-2005  
Date

  
Agent

**Request for Exception to Buried Pipeline Requirement  
For the Chapita Wells Unit 1089-22  
SE/NE, Sec. 22, T9S, R22E  
Lease Number U-0284-A**

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 1.54 acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.  
CWU #1089-22  
SECTION 22, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49  
.55 MILES.

# EOG RESOURCES, INC.

CWU #1089-22

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 22, T9S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

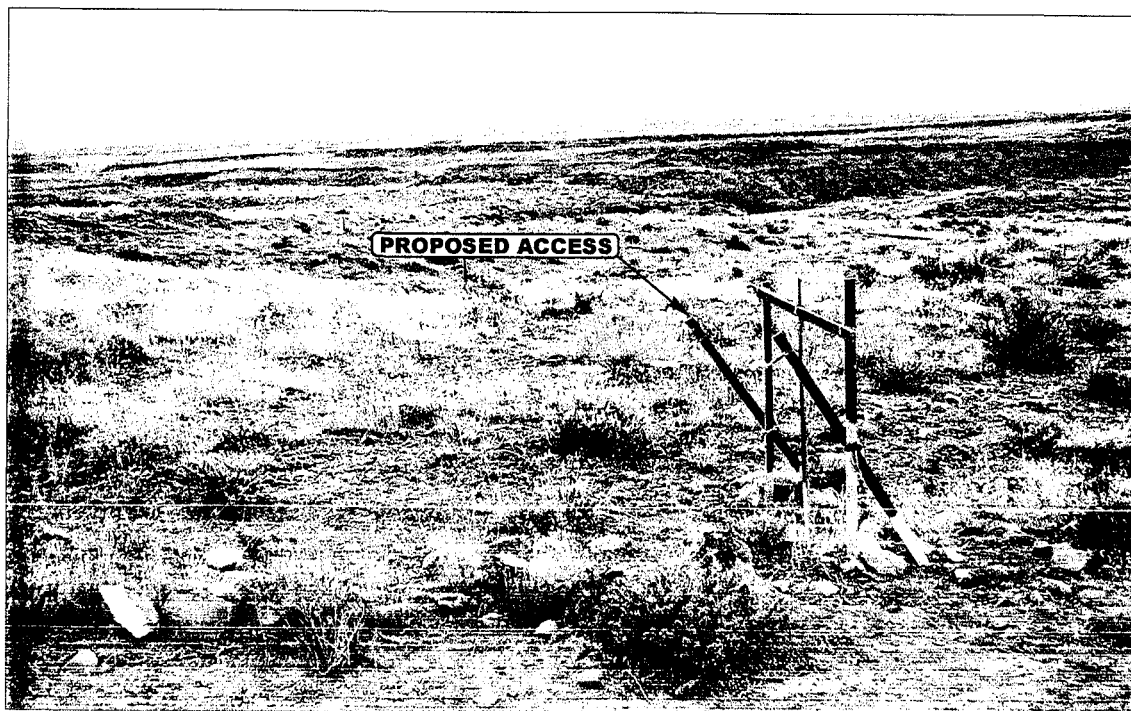


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

**E&L**S

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

08 | 03 | 05  
MONTH | DAY | YEAR

PHOTO

TAKEN BY: T.B.

DRAWN BY: S.L.

REVISED: 00-00-00

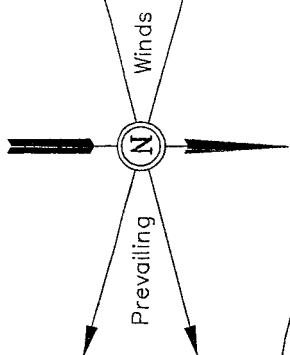
# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR

CWU #1089-22  
SECTION 22, T9S, R22E, S.L.B.&M.  
2256' FNL 939' FEL

FIGURE #1

Approx.  
Toe of  
Fill Slope



SCALE: 1" = 50'  
DATE: 08-17-05  
Drawn By: P.M.

F-10.3'  
El. 911.3'

Topsoil Stockpile

F-2.2'  
El. 919.4'

Sta. 3+25

F-12.0'  
El. 909.6'

NOTE:  
Earthwork Calculations Require  
a Fill of 0.7' @ the Location  
Stake For Balance. All Fill is  
to be Compacted to a Minimum  
of 95% of the Maximum Dry  
Density Obtained by AASHTO  
Method t-99.

Pit Topsoil

Reserve Pit Backfill  
& Spoils Stockpile

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.

FLARE PIT

20' WIDE  
BENCH/DIKE  
46'

C-2.2'  
El. 923.8'

F-0.7'  
El. 920.9'

DOG HOUSE

Sta. 1+50

El. 926.9'  
C-17.3'  
(btm. pit)

15' WIDE BENCH

Total Pit Capacity  
W/2' Of Freeboard  
= 12,250 Bbls. ±  
Total Pit Volume  
= 3,320 Cu. Yds.

RESERVE PITS  
(12' Deep)

Sta. 0+18

SLOPE = 1-1/2 : 1

C-4.3'  
El. 925.9'

MUD TANKS

HOPPER

POWER

TOOLS

FUEL

TRASH

C-3.6'  
El. 925.2'

F-10.0'  
El. 911.6'

TRAILER

TOILET

FUEL

Round Corners  
as needed

STORAGE  
TANK

Sta. 0+00

El. 929.1'  
C-19.5'  
(btm. pit)

C-4.3'  
El. 925.9'

Approx.  
Top of  
Cut Slope

F-6.5'  
El. 915.1'

Proposed Access  
Road

### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4920.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 4921.6'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

# EOG RESOURCES, INC.

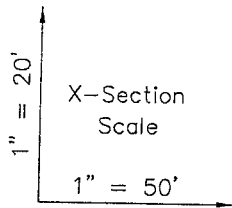
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

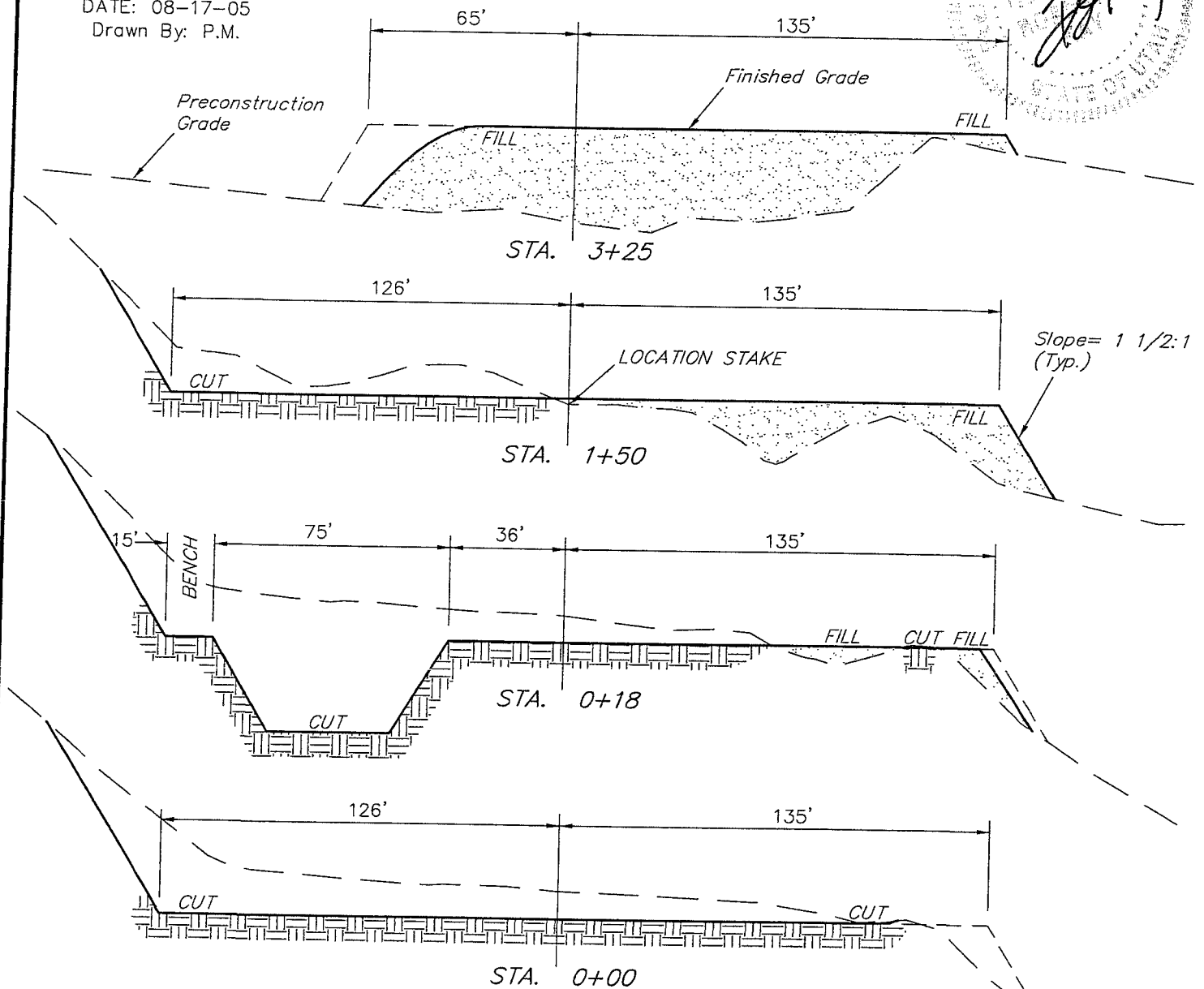
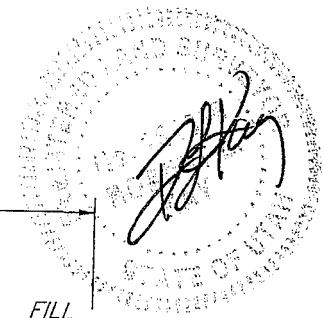
CWU #1089-22

SECTION 22, T9S, R22E, S.L.B.&M.

2256' FNL 939' FEL



DATE: 08-17-05  
Drawn By: P.M.



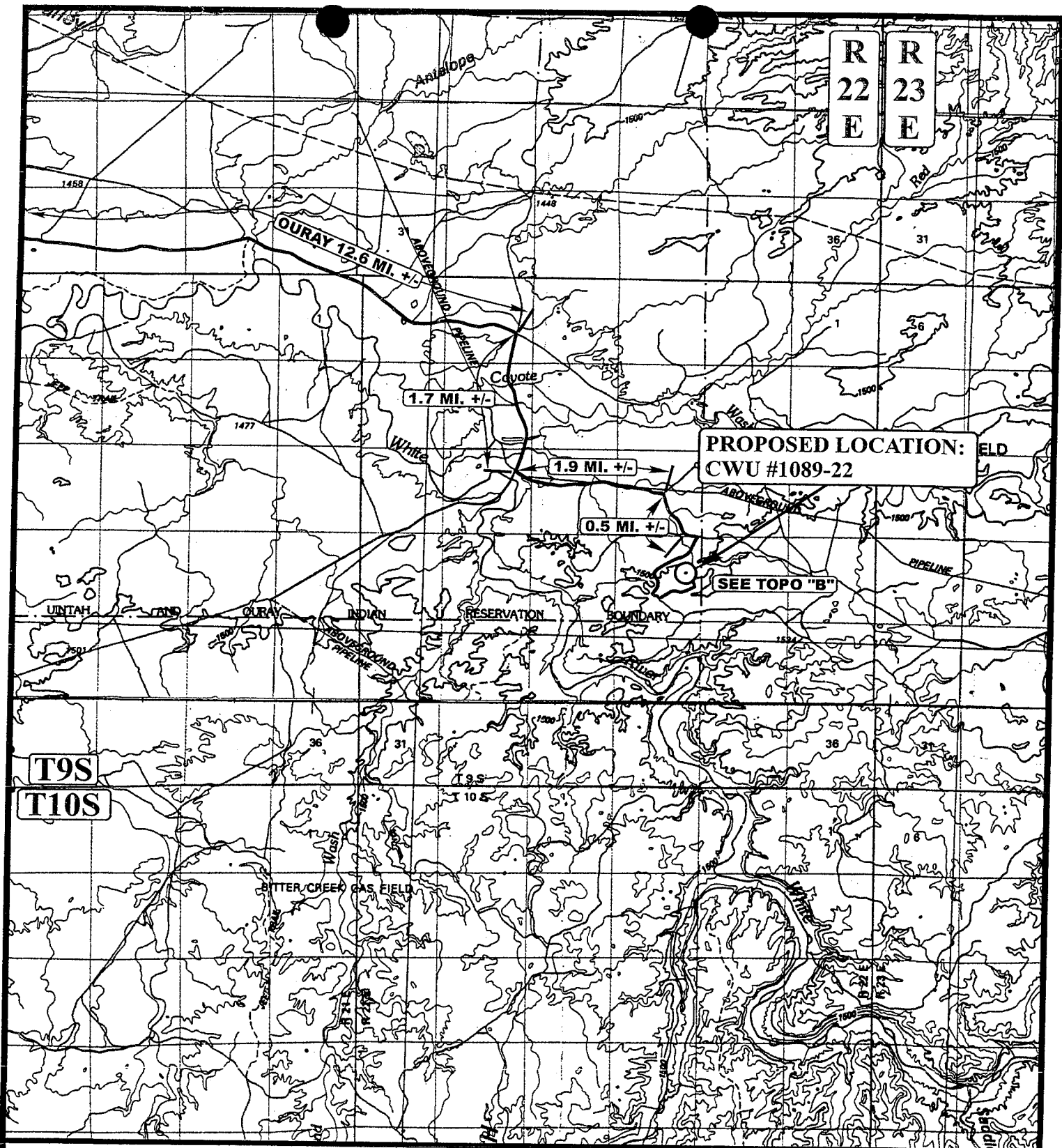
\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,820 Cu. Yds.
Remaining Location	= 10,290 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 12,110 CU.YDS.</b>
<b>FILL</b>	<b>= 8,630 CU.YDS.</b>

EXCESS MATERIAL	= 3,480 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,480 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
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# **LEGEND:**

○ PROPOSED LOCATION



## **EOG RESOURCES, INC.**

CWU #1089-22  
SECTION 22, T9S, R22E, S.L.B.&M.  
2256' FNL 939' FEL



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
MAP

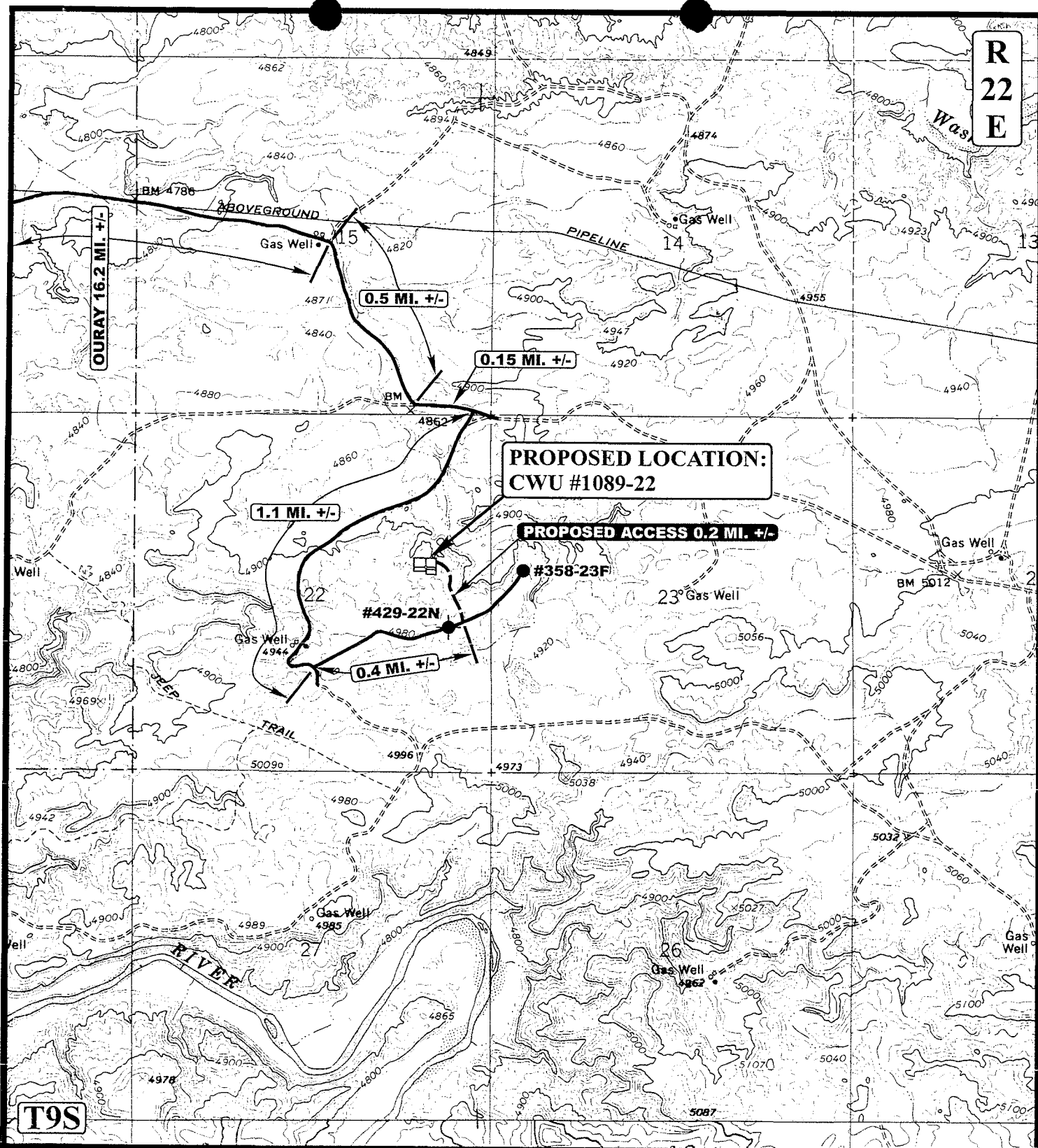
**08/03/05**  
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: S.L.

REVISED: 00-00-00





# **LEGEND:**

— EXISTING ROAD



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 (435) 789-1017 \* FAX (435) 789-1813



**EOG RESOURCES, INC.**

CWU #1089-22  
 SECTION 22, T9S, R22E, S.L.B.&M.  
 2256' FNL 939' FEL







TOPOGRAPHIC 08/03/05  
 MAP MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00





### LEGEND:

- |   |   |
|---|---|
|  DISPOSAL WELLS  |  WATER WELLS           |
|  PRODUCING WELLS |  ABANDONED WELLS       |
|  SHUT IN WELLS   |  TEMPORARILY ABANDONED |

# EOG RESOURCES, INC.

**CWU #1089-22**

**SECTION 22, T9S, R22E, S.L.B.&M.**

2256' FNL 939' FEL

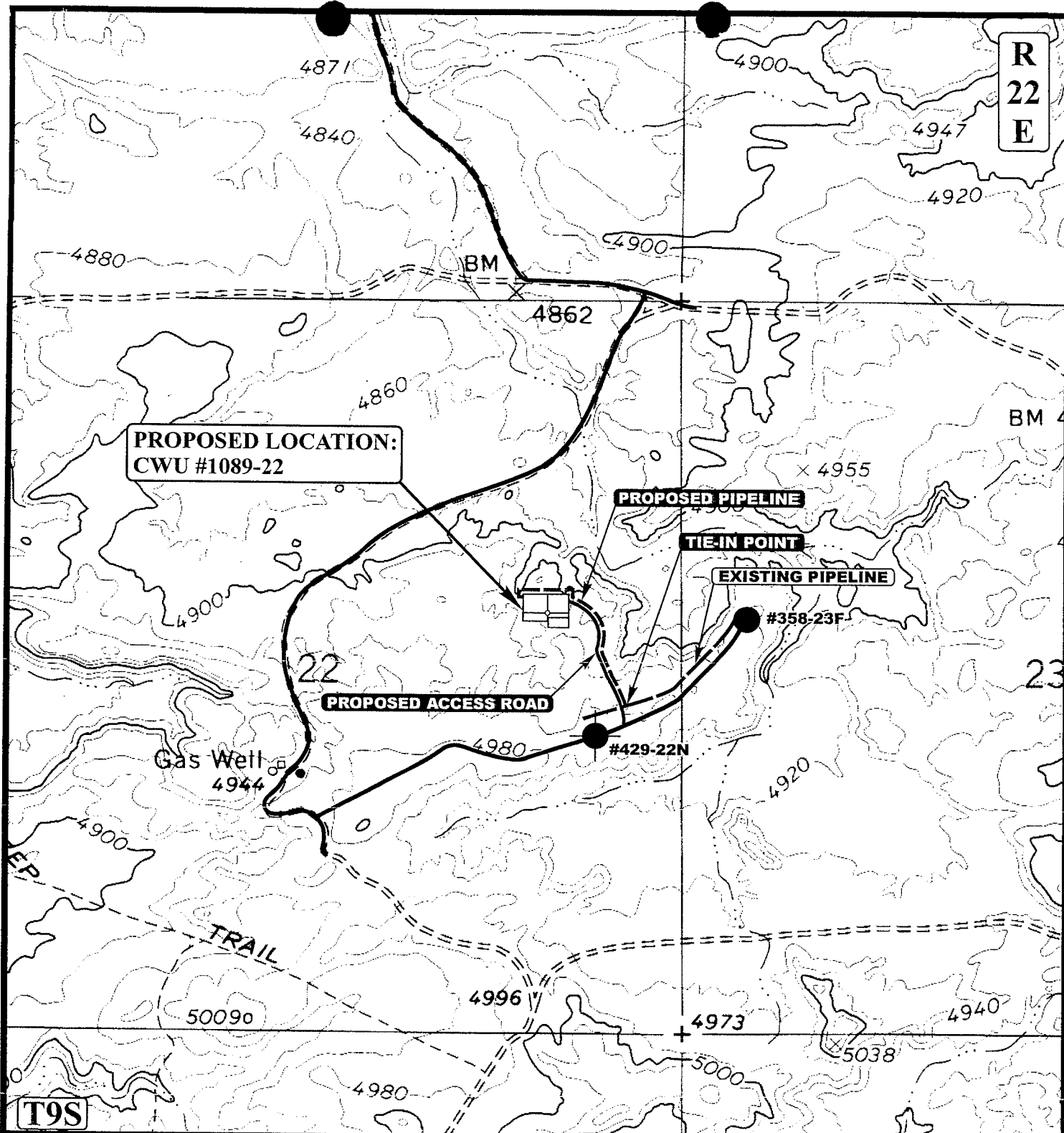
# UFS

**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC	08	03	05
MAP	MONTH	DAY	YEAR

SCALE: 1" = 2000'    DRAWN BY: S.L.    REVISED: 00-00-00

**C**  
**TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,344' +/-

**LEGEND:**

PROPOSED ACCESS ROAD  
 EXISTING PIPELINE  
 PROPOSED PIPELINE

**EOG RESOURCES, INC.**

CWU #1089-22  
 SECTION 22, T9S, R22E, S.L.B.&M.  
 2256' FNL 939' FEL



Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC MAP  
 08 | 03 | 05  
 MONTH | DAY | YEAR  
 SCALE: 1" = 1000' DRAWN BY: S.L. REVISED: 00-00-00



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/09/2006

API NO. ASSIGNED: 43-047-37609

WELL NAME: CWU 1089-22

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

**PROPOSED LOCATION:**

SENE 22 090S 220E

SURFACE: 2256 FNL 0939 FEL

BOTTOM: 2256 FNL 0939 FEL

UINTAH

NATURAL BUTTES ( 630 )

LAT: 40.02263 SURF EASTINGS: 634883

LONG: -109.4194 SURF NORTHINGS: 4431255

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0284-A

SURFACE OWNER: 1 - Federal

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM-2308 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-1501 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

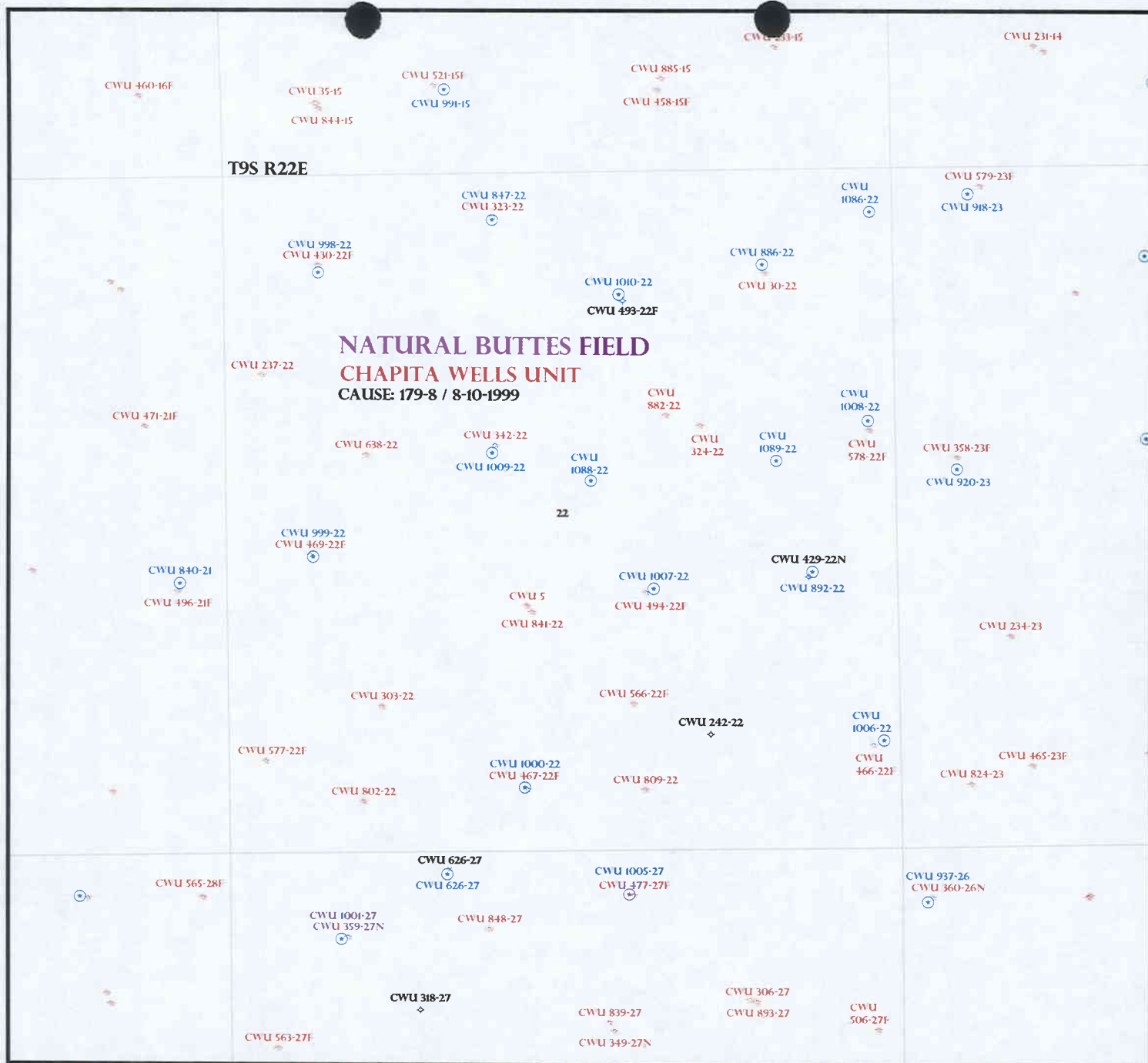
**LOCATION AND SITING:**

\_\_\_ R649-2-3.  
Unit CHAPITA WELLS  
\_\_\_ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
\_\_\_ R649-3-3. Exception  
☒ Drilling Unit  
Board Cause No: 179-8  
Eff Date: 8-10-1999  
Siting: Suspends General Siting  
\_\_\_ R649-3-11. Directional Drill

**COMMENTS:**

**STIPULATIONS:**

1 Federal Approval  
2 - OIL SHALE



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 22 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

#### Field Status

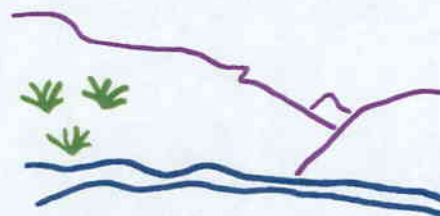
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

#### Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

#### Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
DATE: 11-JANUARY-2006

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

January 12, 2006

### Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Chapita Wells Unit Uintah  
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Green River)		
43-047-37493 CWU 3005-6GR Sec 06 T09S R23E 2081 FSL 0473 FWL		
(Proposed PZ Wasatch)		
43-047-37504 CWU 696-25 Sec 25 T09S R22E 2151 FNL 1963 FEL		
43-047-37503 CWU 702-25 Sec 25 T09S R22E 0624 FNL 1954 FWL		
43-047-37499 CWU 681-28 Sec 28 T09S R23E 0646 FSL 0754 FWL		
43-047-37500 CWU 703-29 Sec 29 T09S R23E 1777 FSL 0540 FEL		
43-047-37494 CWU 689-33 Sec 33 T09S R23E 1831 FSL 2061 FWL		
(Proposed PZ Price River)		
43-047-37495 CWU 1118-22 Sec 22 T09S R23E 1859 FSL 0463 FEL		
43-047-37496 CWU 1117-22 Sec 22 T09S R23E 1952 FSL 2134 FWL		
43-047-37501 CWU 1082-30 Sec 30 T09S R23E 1050 FNL 0380 FWL		
43-047-37497 CWU 1147-18 Sec 18 T09S R23E 0680 FNL 0680 FEL		
43-047-37498 CWU 1142-18 Sec 18 T09S R23E 0737 FNL 1928 FWL		
43-047-37505 CWU 1076-25 Sec 25 T09S R22E 1687 FSL 2224 FEL		
43-047-37502 CWU 1088-22 Sec 22 T09S R22E 2400 FNL 2392 FEL		
43-047-37506 CWU 1042-28 Sec 28 T09S R22E 0313 FNL 1172 FEL		
43-047-37607 CWU 1040-10 Sec 10 T09S R22E 1150 FSL 1070 FWL		
43-047-37606 CWU 833-3 Sec 03 T09S R22E 0808 FSL 2129 FEL		
43-047-37608 CWU 1086-22 Sec 22 T09S R22E 0323 FNL 0174 FEL		
43-047-37609 CWU 1089-22 Sec 22 T09S R22E 2256 FNL 0939 FEL		
43-047-37610 CWU 1084-30 Sec 30 T09S R23E 1580 FNL 0980 FWL		

Page 2

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:1-12-06



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

January 17, 2006

EOG Resources, Inc.  
P O Box 1815  
Vernal, UT 84078

Re: Chapita Wells Unit 1089-22 Well, 2256' FNL, 939' FEL, SE NE, Sec. 22,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37609.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** EOG Resources, Inc.  
**Well Name & Number** Chapita Wells Unit 1089-22  
**API Number:** 43-047-37609  
**Lease:** U-0284-A

**Location:** SE NE                      **Sec.** 22                      **T.** 9 South                      **R.** 22 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4.** In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

- 5.** State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.



STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: U-0284-A
2. NAME OF OPERATOR: EOG RESOURCES, INC.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078	7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
PHONE NUMBER: (435) 781-9111	8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 1089-22
9. API NUMBER: 43-047-37609	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 2256 FNL 939 FEL 40.022553 Lat 109.419325 Lon COUNTY: UINTAH  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 22 9S 22E S.L.B. & M STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____  <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 01-10-07  
By: [Signature]

COPIES SENT TO OPERATOR  
Date: 1-11-07  
By: RM

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Sr. Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>1/8/2007</u>

(This space for State use only)

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JAN 10 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-37609  
**Well Name:** CHAPITA WELLS UNIT 1089-22  
**Location:** 2256 FNL 939 FEL (SENE), SECTION 22, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 1/17/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

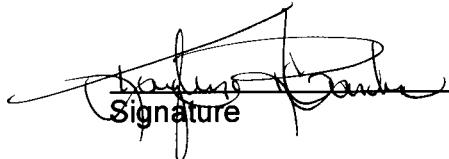
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

1/8/2007

Date

Title: Sr. Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

JAN 10 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator  
**EOG RESOURCES, INC.**

3a. Address **P.O. BOX 1815  
VERNAL, UT 84078**

3b. Phone No. (Include area code)  
**(435)789-0790**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)

At surface **2256' FNL, 939' FEL**

**SE/NE**

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office\*  
**18.55 MILES SOUTHEAST OF OURAY, UTAH**

15. Distance from proposed\*  
location to nearest  
property or lease line, ft. **939'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

**1240**

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

**9530'**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4921.6 FEET GRADED GROUND**

22. Approximate date work will start\*  
**UPON APPROVAL**

23. Estimated duration  
**45 DAYS**

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

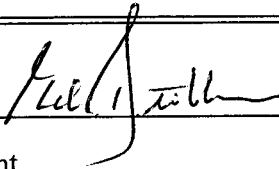
3. A Surface Use Plan (if the location is on National Forest System Lands, the  
SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file  
(see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required  
by the authorized officer.

25. Signature



Name (Printed/Typed)  
**Ed Trotter**

**RECEIVED**  
**JAN 30 2007**

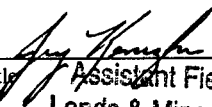
Date  
**December 22, 2005**

Title

**Agent**

**DIV. OF OIL, GAS & MINING**

Approved by (Signature)



Title **Assistant Field Manager  
Lands & Mineral Resources**

Name (Printed/Typed)

**JERRY KENCERA**

Office

**VERNAL FIELD OFFICE**

Date

**1-19-2007**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to  
conduct operations thereon.  
Conditions of Approval, if any, are attached.

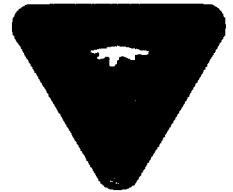
**CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the  
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources, Inc.  
Well No: Chapita Wells Unit 1089-22  
API No: 43-047-37609

Location: SENE, Sec 22, T9S, R22E  
Lease No: UTU-0284-A  
Agreement: Chapita Wells Unit

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Charles Sharp	Office: 435-781-4486	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- |   |   |  |
|---|---|--|
| Location Construction<br>(Notify Paul Buhler)           | - | Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Paul Buhler)             | - | Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify Petroleum Engineer)              | - | Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Jamie Sparger)     | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify Petroleum Engineer)  | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata

2. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

### ***DOWNHOLE CONDITIONS OF APPROVAL***

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

#### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe. To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in application.
2. A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office..

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
7. The lessee/operator must report encounters of all non oil and gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
9. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys,

sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

**Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

11. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (1/4 1/4, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).



- f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
- 15. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 16. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 17. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 18. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0284-A
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2256 FNL 939 FEL 40.022553 Lat 109.419325 Lon		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 1089-22
PHONE NUMBER: (435) 781-9111		9. API NUMBER: 43-047-37609
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 22 9S 22E S.L.B. & M		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

COUNTY: UINTAH

STATE: UTAH

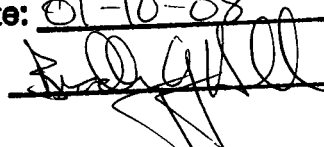
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD EXTENSION REQUEST
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 01-10-08  
By: 

COPY SENT TO OPERATOR  
Date: 1-14-2008  
Initials: KS

NAME (PLEASE PRINT) Kaylene R. Gardner	TITLE Lead Regulatory Assistant
SIGNATURE 	DATE 1/8/2008

(This space for State use only)

RECEIVED  
JAN 10 2008

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-37609  
**Well Name:** CHAPITA WELLS UNIT 1089-22  
**Location:** 2256 FNL 939 FEL (SENE), SECTION 22, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 1/17/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

1/8/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

**RECEIVED**

**JAN 10 2008**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

JAN 07 2008

BLM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0284A
2. Name of Operator EOG RESOURCES INC		6. If Indian, Allottee or Tribe Name
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No. UTU63013AI
3b. Phone No. (include area code) Ph: 435-781-9111		8. Well Name and No. CWU 1089-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E SENE 2256FNL 939FEL		9. API Well No. 43-047-37609-00-X1
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests the APD for the referenced well, originally approved 1/19/2007 be extended for one year.

CONDITIONS OF APPROVAL ATTACHED

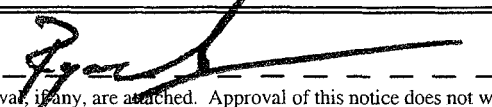
VERNAL DIST.
ENG. _____
GEOL. _____
E.S. _____
PET. _____
A.M. _____

RECEIVED

JAN 18 2008

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #57888 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal Committed to AFMSS for processing by GAIL JENKINS on 01/07/2008 (08GXJ1393SE) DIV. OF OIL, GAS & MINING	
Name (Printed/Typed) KAYLENE R GARDNER	Title LEAD REGULATORY ASSISTANT
Signature (Electronic Submission)	Date 01/07/2008

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title Petroleum Engineer	Date JAN 8 2008
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UDOGM

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

# **CONDITIONS OF APPROVAL**

## **EOG Resources, Inc.**

### **Notice of Intent APD Extension**

**Lease:** UTU-0284-A  
**Well:** CWU 1089-22  
**Location:** SENE Sec 22-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 1/19/09.
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 1089-22

Api No: 43-047-37609 Lease Type: FEDERAL

Section 22 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

### **SPUDDED:**

Date 07/07/08

Time 2:00 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 07/08//08 Signed CHD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202 Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-39583	Chapita Wells Unit 1050-18	NESE	18	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
B	99999	16962	7/7/2008	7/15/08		
Comments: <u>Mesaverde well</u>						

**Well 2**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37609	Chapita Wells Unit 1089-22	SENE	22	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
B	99999	13650	7/7/2008	7/15/08		
Comments: <u>Mesaverde well</u> <u>PRRV = moved</u>						

**Well 3**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-39282	East Chapita 66-05	NWSE	5	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	16963	7/10/2008	7/15/08		
Comments: <u>Wasatch/Mesaverde well</u>						

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

*Mary A. Maestas*

Signature

Regulatory Assistant

7/14/2008

Title

Date

**RECEIVED**

JUL 14 2008

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

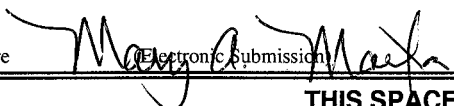
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0284A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH ST. SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. CHAPITA WELLS UNIT 1089-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E SENE 2256FNL 939FEL 40.02252 N Lat, 109.42001 W Lon		9. API Well No. 43-047-37609
		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Well Spud
	<input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 7/7/2008.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #61341 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature 	Date 07/10/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**JUL 14 2008**

**DIV. OF OIL, GAS & MINING**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0284A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. CHAPITA WELLS UNIT 1089-22
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T9S R22E SENE 2256FNL 939FEL 40.02252 N Lat, 109.42001 W Lon		9. API Well No. 43-047-37609
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

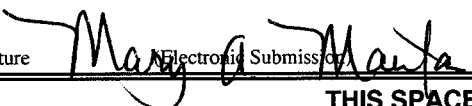
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 9/12/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

**RECEIVED****SEP 29 2008****DIV. OF OIL, GAS & MINING**

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #63080 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) <b>MARY A. MAESTAS</b>	Title <b>REGULATORY ASSISTANT</b>
Signature 	Date <b>09/15/2008</b>

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

# WELL CHRONOLOGY REPORT

Report Generated On: 09-15-2008

<b>Well Name</b>	CWU 1089-22	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-37609	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	08-03-2008	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,530/ 9,530	<b>Property #</b>	057458
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,935/ 4,922				
<b>Location</b>	Section 22, T9S, R22E, SENE, 2256 FNL & 939 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.717	<b>NRI %</b>	47.66

AFE No		303570		AFE Total		1,885,800		DHC / CWC		956,100/ 929,700					
Rig Contr		TRUE		Rig Name		TRUE #27		Start Date		02-06-2006		Release Date		08-12-2008	
02-06-2006		Reported By													
Daily Costs: Drilling		\$0		Completion		\$0		Daily Total		\$0					
Cum Costs: Drilling		\$0		Completion		\$0		Well Total		\$0					
MD		0		TVD		0		Progress		0		Days		0	
								MW		0.0		Visc		0.0	
Formation :				PBTD : 0.0				Perf :				PKR Depth : 0.0			

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2256' FNL & 939' FEL (SE/NE)
			SECTION 22, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.022517, LONG 109.420008 (NAD 83)
			LAT 40.022553, LONG 109.419325 (NAD 37)
			TRUE #27
			OBJECTIVE: 9530' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0285A
			ELEVATION: 4920.9' NAT GL, 4921.6' PREP GL, (DUE TO ROUNDING THE PREP GL WILL BE 4922'), 4935' KB (13')
			EOG WI 55.7174%, NRI 47.65977%

06-24-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,000
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 06/24/08.

06-25-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,000
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

06-26-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 25% COMPLETE.

06-27-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT AND DRILLING PIT.

06-30-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SHOOTING PIT TODAY.

07-01-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING PIT.

07-02-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING PIT.

07-03-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING PIT.

07-07-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

07-08-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 07/07/08 @ 2:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 07/07/08 @ 1:00 PM.

07-16-2008      Reported By      LES FARNSWORTH

<b>Daily Costs: Drilling</b>	\$197,760	<b>Completion</b>	\$0	<b>Daily Total</b>	\$197,760
<b>Cum Costs: Drilling</b>	\$235,760	<b>Completion</b>	\$0	<b>Well Total</b>	\$235,760
<b>MD</b>	2,218	<b>TVD</b>	2,218	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIGS RIG #2 ON 7/12/2008. DRILLED 12-1/4" HOLE TO 2212' GL. ENCOUNTERED WATER @ 1750'. RAN 51 JTS (2205.99') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2218' KB. RDMO CRAIGS RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2000 PSIG. PUMPED 175 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 400 SX (84 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX.

DISPLACED CEMENT W/165 BBLS FRESH WATER. BUMPED PLUG W/500# @ 7:03 PM, 7/14/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: MIXED & PUMPED 100 SX (20.5 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WAIT ON CEMENT 3 HRS.

TOP JOB # 2: MIXED & PUMPED 185 SX (38 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WAIT ON CEMENT 2 HRS. 30 MIN

TOP JOB # 3. MIXED & PUMPED 200 SX (40.9 BBLS) OF PREMIUM CEMENT W/2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 90.0 VDS= 89.9 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 90.0 MS= 89.9

LESTER FARNSWORTH NOTIFIED MIKE LEE W/BLM OF THE SURFACE CASING & CEMENT JOB ON 7/13/2008 @ 11:30 A.M.

08-03-2008      Reported By      PETE AYOTTE

<b>Daily Costs: Drilling</b>	\$44,728	<b>Completion</b>	\$3	<b>Daily Total</b>	\$44,731
<b>Cum Costs: Drilling</b>	\$280,488	<b>Completion</b>	\$3	<b>Well Total</b>	\$280,491
<b>MD</b>	2,291	<b>TVD</b>	2,291	<b>Progress</b>	73
<b>Days</b>	1	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: DRILLING AT 2291'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	PREPARE FOR MOVE, HOLD SAFETY MEETING WITH RIG AND TRUCKING CREWS.
07:00	10:00	3.0	LOAD OUT RIG AND ROAD 1.5 MILES FROM CWU 1086-22 TO 1089-22.

10:00 19:00 9.0 SET IN RIG AND RIG UP. TRUCKS RELEASED AT 1400 HRS, DERRICK RAISED AT 1430 HRS.  
 19:00 20:00 1.0 NIPPLE UP BOP. RIG ACCEPTED AT 19:00 HRS, 8/2/2008.

20:00 23:30 3.5 TEST BOP AS FOLLOWS: PIPE AND BLIND RAMS, CHOKE MANIFOLD, CHOKE LINE AND VALVES, UPPER AND LOWER KELLY VALVES, ALL FLOOR VALVES TO 5000 PSI FOR 10 MINS. HIGH AND 250 PSI FOR 5 MINS. LOW. TEST ANNULAR TO 2500 PSI FOR 10 MINS. HIGH AND 250 PSI FOR 5 MINS. LOW. JAMIE SPARGER WITH BLM NOTIFIED AT 1500 HRS 8/2/2008, VIA TELEPHONE MESSAGE ON BOP TEST TIME. ALSO WAS NOTIFIED 8/1/2008 AT 0900 HRS, VIA TELEPHONE MESSAGE.

23:30 00:00 0.5 INSTALL WEAR BUSHING  
 00:00 02:30 2.5 HOLD SAFETY MEETING WITH PICKUP CREW, RIG UP AND PICK UP PIPE, TAG CEMENT AT 2150'.  
 02:30 03:00 0.5 RIG SERVICE.  
 03:00 04:30 1.5 DRILL CEMENT AND FLOAT EQUIPMENT.  
 04:30 05:00 0.5 CIRCULATE AND SPOT HIGH VIS PILL, PERFORM FIT TO 450 PSI, EQUIVALENT TO 12.3 PPG.

05:00 06:00 1.0 SPUD 7 7/8" HOLE AT 05:00 HRS, 8/3/2008. DRILL FROM 2218' TO 2291', 73' AT 73'/HR, 10-15K WOB, 50-65 RRPM, 64 MPRM, 800 PSI AT 125 STROKES, #2 PUMP, 100-250 PSI DIFFERENTIAL, 420 GPM, H2O.

FULL CREWS, PLUS 5 EXTRA FOR MOVE, NO ACCIDENTS.  
 SAFETY MEETINGS ON TESTING BOP AND PICKING UP PIPE.  
 FUEL ON HAND 6133 GALS, USED 451 GALS.  
 MUD WT 8.4, VIS 27.  
 MAHOGANY TOP AT 2346'.  
 BG GAS 500U, CONN GAS 500U.  
 SET CROWN SAVER FOR DRILLING.  
 UNMANNED LOGGER, DAY 1.  
 NO FLOW OR LOSSES.

<b>08-04-2008</b>		<b>Reported By</b>		PETE AYOTTE							
<b>Daily Costs: Drilling</b>		\$58,958	<b>Completion</b>		\$0	<b>Daily Total</b>		\$58,958			
<b>Cum Costs: Drilling</b>		\$339,446	<b>Completion</b>		\$3	<b>Well Total</b>		\$339,449			
<b>MD</b>	4,484	<b>TVD</b>	4,484	<b>Progress</b>	2,193	<b>Days</b>	2	<b>MW</b>	8.6	<b>Visc</b>	28.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>					
<b>Activity at Report Time: DRILLING AT 4484'</b>											

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL FROM 2291' TO 2353', 62' AT 124'/HR, 15-18K WOB, 50-65 RRPM, 64 MRPM, 1200 PSI AT 125 STROKES, OFF BOTTOM, 100-350 PSI DIFFERENTIAL, 420 GPM, 8.5 MUD WT, 29 VIS.
06:30	07:00	0.5	SURVEY, .5*
07:00	14:30	7.5	DRILL FROM 2353' TO 3292', 939' AT 125.2'/HR, SAME PARAMETERS AS ABOVE, 9.1 MUD WT, 30 VIS.
14:30	15:00	0.5	SURVEY, 1.5*
15:00	02:30	11.5	DRILL FROM 3292' TO 4297', 1005' AT 87.4'/HR, SAME PARAMETERS AS ABOVE, 9.5 MUD WT, 30 VIS.
02:30	03:00	0.5	SURVEY, 2.5*.
03:00	06:00	3.0	DRILL FROM 4297' TO 4484', 187' AT 62.3'/HR, 18K WOB, 50-60 RRPM, 64 MRPM, 1350 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-350 PSI DIFFERENTIAL, 420 GPM.
FULL CREWS, NO ACCIDENTS.			
SAFETY MEETINGS ON SURVEYS AND PPE.			
FUEL ON HAND 5011 GALS, USED 1122 GALS.			
MUD WT 9.7, VIS 31.			
MAHOGANY TOP AT 2346'.			

BG GAS 200U, CONN GAS 400U.

BOP DRILL HELD ON MORNING TOUR, WELL SECURED IN 2 MINS.

OPERATE CROWN SAVER BOTH TOURS.

UNMANNED LOGGER, DAY 2.

NO FLOW OR LOSSES.

HAULED IN 800 BBLs EVAP TO UPRIGHTS AND 650 BBLs FLOWBACK TO RESERVE PIT.

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<b>08-05-2008</b>	<b>Reported By</b>	PETE AYOTTE									
<b>Daily Costs: Drilling</b>	\$32,431	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,431						
<b>Cum Costs: Drilling</b>	\$371,878	<b>Completion</b>	\$3	<b>Well Total</b>	\$371,881						
<b>MD</b>	5,864	<b>TVD</b>	5,864	<b>Progress</b>	1,380	<b>Days</b>	3	<b>MW</b>	9.8	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING AT 5864'

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL FROM 4484' TO 5077', 593' AT 62.4'/HR, 15-20K WOB, 45-60 RRPM, 64 MRPM, 1450 PSI AT 125 STROKES, OFF BOTTOM, #1 PUMP, 100-350 PSI DIFFERENTIAL, 420 GPM, 9.9 MUD WT, 33 VIS.
15:30	16:00	0.5	RIG SERVICE
16:00	00:30	8.5	DRILL FROM 5077' TO 5602', 525' AT 61.8'/HR, SAME PARAMETERS AS ABOVE. LOST COMPLETE RETURNS ABRUPTLY.
00:30	02:00	1.5	PUMPED AWAY 211 BBLs UNTIL SLIGHT RETURNS, CONTINUE TO MIX LCM, BUILD VOLUME, 90% RETURNS, LOST 300 BBLs TOTAL.
02:00	06:00	4.0	DRILL FROM 5602' TO 5864', 262' AT 65.5'/HR, 15K WOB, 45-60 RRPM, 62 MPRPM, 1550 PSI AT 115 STROKES, OFF BOTTOM, #1 PUMP, 100-350 PSI DIFFERENTIAL, 364 GPM, 10 MUD WT, 35 VIS, 3% LCM.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS ON MOTORS AND HOUSEKEEPING.

FUEL ON HAND 3815 GALS, USED 1196 GALS.

MUD WT 10 PPG, VIS 35. LCM 3%

WASATCH TOP AT 4735'.

BG GAS 150U, CONN GAS 150U.

OPERATE CROWN SAVER BOTH TOURS.

UNMANNED LOGGER, DAY 2.

NO FLOW, 300 BBL LOSSES.

SHAKING OUT LCM THIS MORNING. HOLE STABILIZED.

ENCOUNTERED GUMMY SHALE AND BIT BALLING AT 5000-5300'.

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<b>08-06-2008</b>	<b>Reported By</b>	PETE AYOTTE									
<b>Daily Costs: Drilling</b>	\$40,752	<b>Completion</b>	\$0	<b>Daily Total</b>	\$40,752						
<b>Cum Costs: Drilling</b>	\$412,630	<b>Completion</b>	\$3	<b>Well Total</b>	\$412,633						
<b>MD</b>	6,587	<b>TVD</b>	6,587	<b>Progress</b>	723	<b>Days</b>	4	<b>MW</b>	10.0	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** TOH FOR BIT

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRILL F/ 5864 TO 6397 533' 56 FPH. WOB 20 RPM 55.
15:30	16:00	0.5	SERVICE RIG.
16:00	02:30	10.5	DRILL F/ 6397 TO 6587 190' 18 FPH. WOB 25 RPM 55.
02:30	03:00	0.5	CIRCULATE MIX PILL.

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03:00 06:00 3.0 PUMP PILL, DROP SURVEY. SET COM FOR TRIPPING AND POH. MUD WT. 10.0 PPG VIS 38. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: PROPER LIFTING, PAINTING. FUNCTION TEST COM, HCR, DART VALVE AND COM. UNMANNED LOGGING UNIT 3 DAYS. FUEL ON HAND 2618 USED 1197.

08-07-2008 Reported By PAUL WHITE/PETE AYOTTE

Daily Costs: Drilling \$98,360 Completion \$0 Daily Total \$98,360

Cum Costs: Drilling \$510,990 Completion \$3 Well Total \$510,993

MD 7,677 TVD 7,677 Progress 1,090 Days 5 MW 10.2 Visc 35.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING AT 7,677'

Start End Hrs Activity Description

06:00 08:30 2.5 PICKUP BIT #2 AND MOTOR. TRIP IN HOLE. CHECK AND SET COM FOR TRIPPING.

08:30 09:00 0.5 PRECAUTIONARY WASH AND REAM 6482 TO 6587.

09:00 14:00 5.0 DRILL F/ 6587 TO 6792' WOB 17 RPM 51, CHECK AND SET COM FOR DRILLING.

14:00 14:30 0.5 SERVICE RIG.

14:30 06:00 15.5 DRILL F/ 6792 TO 7677 885' 57 FPH. WOB 18 RPM 52. MUD WT 10.5 VIS 35.

DRILLING PRICE RIVER, TOP OF PRICE RIVER MIDDLE AT 8,056'.

FULL CREW.

NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: SAFETY CHAINS ON HANDRAILS, GROUND RODS.

ACTIVATE PIPE RAMS, BLIND RAMS AND ALL SAFETY VALVES.

UNMANNED MUDLOGGER 4 DAYS.

FUEL ON HAND 5909 RECEIVED 4505 USED 1209.

08-08-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$33,705 Completion \$5,532 Daily Total \$39,237

Cum Costs: Drilling \$544,695 Completion \$5,535 Well Total \$550,230

MD 8,276 TVD 8,276 Progress 0 Days 6 MW 10.5 Visc 34.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TFNB #3 AT 8,276'

Start End Hrs Activity Description

06:00 14:00 8.0 DRILL F/ 7677 TO 8025 348' 43 FPH WOB 18 RPM 51.

14:00 15:00 1.0 SERVICE RIG. ADJUST BRAKES AND ROLLERS. CHECK LINKAGE, BOLTS AND COTTER KEYS.

15:00 00:30 9.5 DRILL F/ 8025 TO 8276 251' 26 FPH. WOB 20 RPM 50.

00:30 04:00 3.5 PUMP PILL, DRIP SURVEY AND TRIP OUT FOR BIT. RESET AND CHECK COM FOR TRIPPING.

04:00 06:00 2.0 CHANGE MOTOR AND BIT, RIH TO CDL. MUD WT. 10.8 VIS 36. DRILLING PRICE RIVER MIDDLE, TOP OF PRICE RIVER LOWER AT 8836. FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: TRIPPING, TEAM WORK, AIR HOIST. UNMANNED MUD LOGGER 5 DAYS. FUEL ON HAND 4637 USED 1268.

08-09-2008 Reported By PAUL WHITE

Daily Costs: Drilling \$30,183 Completion \$0 Daily Total \$30,183

Cum Costs: Drilling \$574,878 Completion \$5,535 Well Total \$580,413

MD 8,645 TVD 8,645 Progress 369 Days 7 MW 10.9 Visc 36.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING AT 8,645'

Start End Hrs Activity Description

06:00 06:30 0.5 SLIP & CUT DRILL LINE



06:30	08:00	1.5 TRIP IN HOLE TO 8166, F/T COM FOR TRIPPING.
08:00	09:00	1.0 WASH/REAM 8166 TO 8726'.
09:00	12:30	3.5 DRILL F/ 8276 TO 8369, 93' 26 FPH, WOB 18 RPM 50. (SET COM FOR DRLG).
12:30	13:00	0.5 SERVICE RIG.
13:00	21:00	8.0 DRILL F/ 8369 TO 8605 236' 29 FPH. WPB 20 RPM 51.
21:00	22:00	1.0 CIRCULATE AND MIX PILL. PUMP PILL SET COM FOR TRIPPING.
22:00	03:30	5.5 TRIP FOR BIT #4. CHANGE MOTOR.
03:30	04:00	0.5 WASH AND REAM 8554 TO 8605.
04:00	06:00	2.0 DRILL F/ 8605 TO 8645. 40' 20 FPH. WOB 15 RPM 55. MUD WT. 11.0 VIS 35. DRILLING PRICE RIVER MIDDLE. TOP OF LOWER 8836. FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: PULLING SLIPS, FORKLIFT. UNMANNED LOGGING UNIT 6 DAYS. FUEL ON HAND 3665 USED 972.

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**08-10-2008**      **Reported By**      PAUL WHITE

<b>Daily Costs: Drilling</b>	\$30,815	<b>Completion</b>	\$0	<b>Daily Total</b>	\$30,815
<b>Cum Costs: Drilling</b>	\$605,694	<b>Completion</b>	\$5,535	<b>Well Total</b>	\$611,229

<b>MD</b>	9,145	<b>TVD</b>	9,145	<b>Progress</b>	500	<b>Days</b>	8	<b>MW</b>	11.0	<b>Visc</b>	35.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time:** DRILLING AT 9,145'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL F/ 8645 TO 8833. 188' 23 FPH. WOB 17 RPM 51.
14:00	14:30	0.5	SERVICE RIG.
14:30	06:00	15.5	DRILL F/ 8833 TO 9145 312' 20 FPH. WOB 20 RPM 55, MUD WT. 11.3 VIS 36.
			FULL CREW. NO ACCIDENTS OR INCIDENTS.
			SAFETY MEETING TOPICS: BOP DRILLS, BREAK OUT LINES.
			FUNCTION CHECK COM FOR DRLG. BOP DRILL 1 1/2 MIN. AMAS.
			DRILLING LOWER PRICE RIVER, TOP OF SEGO AT 9319. UNMANNED LOGGING UNIT 7 DAYS.
			FUEL ON HAND 2244 USED 1421.

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**08-11-2008**      **Reported By**      PAUL WHITE

<b>Daily Costs: Drilling</b>	\$29,792	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,792
<b>Cum Costs: Drilling</b>	\$635,486	<b>Completion</b>	\$5,535	<b>Well Total</b>	\$641,021

<b>MD</b>	9,424	<b>TVD</b>	9,424	<b>Progress</b>	279	<b>Days</b>	9	<b>MW</b>	11.3	<b>Visc</b>	33.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time:** DRILLING AT 9,424'

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL F/ 9145 TO 9331 186' 22 FPH. WOB 19 RPM 50.
14:30	15:00	0.5	CIRCULATE AND PUMP PILL.
15:00	00:00	9.0	POH, CHANGE BIT AND MOTOR. RIH.
00:00	02:00	2.0	WASH AND REAM 8802 TO 8895 AND 9300 TO 9331.
02:00	04:30	2.5	DRILL F/ 9331 TO 9392. 61' 24 FPH. WOB 19 RPM 55. RAISE MUD WT. TO 11.6.
04:30	05:00	0.5	SERVICE RIG.
05:00	06:00	1.0	DRILL F/ 9392 TO 9424 32' 32FPH. WOB 16 RPM 55. DRILLING SEGO. MUD WT. 11.6 VIS 36.
			FULL CREW. NO ACCIDENTS OR INCIDENTS. SAFETY MEETING TOPICS: WORKING ON PUMPS, WORKING TIGHT HOLE, TRIPPING.
			CHECK AND SET COM FOR DRLG. AND TRIPPING.
			FUNCTION CHECK PIPE RAMS AND BLIND RAMS.

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**RECEIVED**
**SEP 29 2008**
**DIV. OF OIL, GAS & MINING**

UNMANNED LOGGING UNIT 8 DAYS.

FUEL ON HAND 1197 USED 1007.

**08-12-2008**      **Reported By**      PAUL WHITE**Daily Costs: Drilling**      \$53,127      **Completion**      \$0      **Daily Total**      \$53,127**Cum Costs: Drilling**      \$688,614      **Completion**      \$5,535      **Well Total**      \$694,149**MD**      9,530      **TVD**      9,530      **Progress**      106      **Days**      10      **MW**      11.6      **Visc**      33.0**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0****Activity at Report Time:** CEMENTING PRODUCTION CSG

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL F/ 9424 TO 9520 96' 24 FPH WOB 18 RPM 50.
10:00	10:30	0.5	SERVICE RIG.
10:30	11:00	0.5	DRILL F/ 9520 TO 9530' TD, 10' 20 FPH. REACHED TD AT 11:00 HRS, 8/11/08.
11:00	12:00	1.0	10 STAND WIPER TRIP, WORKED OUT ONE TIGHT SPOT AT 8850' HOLE IN GOOD CONDITION. CASING POINT AT 12:00 HRS. 8/11/08
12:00	13:00	1.0	CIRCULATE FOR CASING, RIG UP LAY DOWN CREW. HOLD SAFETY MEETING W/ CREWS.
13:00	20:30	7.5	LAY DOWN DRILL PIPE, BHA, BREAK KELLY.
20:30	21:00	0.5	PULL WEAR BUSHING.
21:00	22:00	1.0	RIG UP CASING CREW AND HOLD SAFETY MEETING.
22:00	03:00	5.0	RAN 220 JTS. 4.5" 11.6 # N-80 CASING EQUIPED W/ WEATHERFORD FLOAT SHOE AND FLOAT COLLAR. CENTRILIZERS PLACED 5' ABOVE SHOE, ON TOP OF SECOND JOINT AND EVERY THIRD JOINT AFTER FOR A TOTAL OF 28. SHOE AT 9516' FLOAT COLLAR AT 9471'. MARKER JT AT 6776' AND 4317'.
03:00	03:30	0.5	TAG BOTTOM, MAKE UP HANGER AND LAND W/ 75K ON HANGER.
03:30	05:00	1.5	CIRCULATE AND RIG UP SCHLUMBERGER. HOLD SAFETY MEETING W/ CREW.
05:00	06:00	1.0	CEMENTING, FINAL CEMENT REPORT ON FOLLOWING DAY REPORT.

NO ACCIDENTS OR INCIDENTS. FULL CREW. SAFETY MEETING TOPICS: LAY DOWN DRILL PIPE, RUNNING CASING, CEMENTING.

UNMANNED LOGGING UNIT 8 DAYS.

FUEL ON HAND 2468 RECEIVED 2000 USED 729.

TRUCKS SCHEDULED FOR 06:00 WEDNESDAY FOR MOVE TO CWU 1277-22.

TRUE HAS LIST OF MAINTENANCE ITEMS TO BE ACCOMPLISHED AFTER RIG RELEASE TODAY.

**08-13-2008**      **Reported By**      PAUL WHITE**Daily Costs: Drilling**      \$72,209      **Completion**      \$158,979      **Daily Total**      \$231,188**Cum Costs: Drilling**      \$760,823      **Completion**      \$164,514      **Well Total**      \$925,337**MD**      9,530      **TVD**      9,530      **Progress**      0      **Days**      11      **MW**      0.0      **Visc**      0.0**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0****Activity at Report Time:** RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CEMENTING. LOADED BOTTOM PLUG AND TOP PLUG. SCHLUMBER MIXED AND PUMPED CEMENT AS FOLLOWS: 20 BBLs CHEM WASH, 20 BBLs WATER, 157.5 BBLs LEAD SLURRY: 35/65 POZ G, SLURRY WT. 12 PPG. (392 SX). FOLLOWED W/ 360 BBLs. TAIL SLURRY, 50/50 POZ "G" SLURRY WT. 14.1 PPG. 1562 SX), DROPPED TOP PLUG AND DISPLACED W/ 147 BBLs. WATER. BUMPED PLUG W/ 3,500 PSI, CHECKED FLOATS OK.
07:30	08:30	1.0	REMOVE LANDING JT. AND INSTALL AND TEST DTO PACKOFF.

08:30 09:00 0.5 NIPPLE DOWN BOP'S AND CLEAN PITS.  
 09:00 18:00 9.0 RIG DOWN AND PERFORM DEFERRED MAINTENANCE ITEMS ON RIG.  
 18:00 06:00 12.0 RDRT. PREPARE FOR MOVE. CHANGE DISCHARGE AND SUCTION MODULE ON #2 PUMP. WORK ON 14 ITEM LIST OF DEFERRED MAINTENANCE ISSUES. LOWER DERRICK AT 15:00 HRS.

FULL CREW, NO ACCIDENTS OR INCIDENTS. SAFETY MEETINGS HELD W/ ALL THIRD PARTY CONTRACTORS.

TRUCKS SCHEDULED FOR 06:00 WEDNESDAY MORNING 8/13/08. MOVE DISTANCE 1.4 MILES.

FUEL ON HAND 2468.

06:00 RELEASE RIG AT 09:00 HRS, 8/12/08.  
 CASING POINT COST \$732,706

**08-16-2008 Reported By SEARLE**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$46,500	<b>Daily Total</b>	\$46,500
<b>Cum Costs: Drilling</b>	\$760,823	<b>Completion</b>	\$211,014	<b>Well Total</b>	\$971,837
<b>MD</b>	9,530	<b>TVD</b>	9,530	<b>Progress</b>	0
		<b>Days</b>	12	<b>MW</b>	0.0
<b>Visc</b>					0.0
<b>Formation :</b>	<b>PBTD : 9471.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	
<b>Activity at Report Time: PREP FOR FRACS</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 420' EST CEMENT TOP @ 640'. RD SCHLUMBERGER.		

**08-31-2008 Reported By MCCURDY**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,249	<b>Daily Total</b>	\$2,249
<b>Cum Costs: Drilling</b>	\$760,823	<b>Completion</b>	\$213,263	<b>Well Total</b>	\$974,086
<b>MD</b>	9,530	<b>TVD</b>	9,530	<b>Progress</b>	0
		<b>Days</b>	13	<b>MW</b>	0.0
<b>Visc</b>					0.0
<b>Formation :</b>	<b>PBTD : 9471.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	
<b>Activity at Report Time: WO COMPLETION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.		

**09-04-2008 Reported By MCCURDY**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$968	<b>Daily Total</b>	\$968
<b>Cum Costs: Drilling</b>	\$760,823	<b>Completion</b>	\$214,231	<b>Well Total</b>	\$975,054
<b>MD</b>	9,530	<b>TVD</b>	9,530	<b>Progress</b>	0
		<b>Days</b>	14	<b>MW</b>	0.0
<b>Visc</b>					0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9471.0</b>		<b>Perf : 8404'-9301'</b>	<b>PKR Depth : 0.0</b>	
<b>Activity at Report Time: FRAC</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 9077'-78', 9140'-41', 9149'-50', 9154'-55', 9161'-62', 9169'-70', 9191'-93', 9241'-42', 9256'-57', 9284'-85', 9300'-01' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTON T-106, 4200 GAL SLICKWATER PAD, 66457 GAL SLICKWATER WITH 94000# 20/40 SAND @ 1-2 PPG. MTP 6433 PSIG. MTR 71 BPM. ATP 5876 PSIG. ATR 57.9 BPM. ISIP 2970 PSIG. RD SCHLUMBERGER.		

RUWL. SET 10K CFP AT 9010'. PERFORATE MPR/LPR FROM 8725'-26', 8746'-47', 8786'-87', 8799'-800', 8815'-16', 8859'-60', 8880'-81', 8903'-04', 8917'-18', 8954'-55', 8968'-69', 8985'-86' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 78490 GAL SLICKWATER WITH 98800# 20/40 SAND @ 1-2 PPG. MTP 6527 PSIG. MTR 65.6 BPM. ATP 53.4 PSIG. ATR 53.4 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8670'. PERFORATE MPR FROM 8404'-05', 8420'-21', 8429'-30', 8470'-71', 8498'-99', 8511'-12', 8517'-18', 8584'-85', 8589'-90', 8613'-14', 8633'-34', 8638'-39' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7523 GAL SLICKWATER PAD, 74826 GAL SLICKWATER WITH 97500# 20/40 SAND @ 1-2 PPG. MTP 6727 PSIG. MTR 54.3 BPM. ATP 5769 PSIG. ATR 40.6 BPM. ISIP 5230 PSIG. SCREENED OUT WITH 52 BBLS FLUSH REMAINING.

FLOWED 8 HRS. 16/64" CHOKE. RECOVERED 520 BLW. 5642 BLWTR. SDFN.

09-05-2008		Reported By		HOOLEY							
Daily Costs: Drilling		\$0		Completion		\$269,033		Daily Total		\$269,033	
Cum Costs: Drilling		\$760,823		Completion		\$483,264		Well Total		\$1,244,087	
MD	9,530	TVD	9,530	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9471.0			Perf : 7202-9301			PKR Depth : 0.0		
Activity at Report Time: PREP TO MIRUSU											
Start	End	Hrs	Activity Description								
06:00	15:00	9.0	RUWL. SET 10K CFP AT 8360'. PERFORATE MPR FROM 8176'-77', 8188'-89', 8198'-99', 8206'-07', 8213'-14', 8227'-28', 8233'-34', 8260'-61', 8289'-90', 8296'-97', 8314'-15' AND 8341'-42' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 74928 GAL SLICKWATER WITH 98300# 20/40 SAND @ .5 - 2 PPG. MTP 6143 PSIG. MTR 75.1 BPM. ATP 5482 PSIG. ATR 63.7 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.								

RUWL. SET 10K CFP AT 8145'. PERFORATE UPR/MPR FROM 7872'-73', 7899'-900', 7922'-23', 7946'-47', 7998'-99', 8065'-66', 8091'-92', 8099'-100', 8105'-06', 8111'-12', 8122'-23' AND 8128'-29' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5250 GAL SLICKWATER PAD, 65737 GAL SLICKWATER WITH 85300# 20/40 SAND @ .5 - 2 PPG. MTP 6197 PSIG. MTR 63.7 BPM. ATP 5697 PSIG. ATR 55.3 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7810'. PERFORATE UPR FROM 7470'-71', 7507'-08', 7555'-56', 7568'-69', 7622'-23', 7657'-58', 7697'-98', 7736'-37', 7745'-46', 7771'-72' AND 7785'-87' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 90090 GAL SLICKWATER WITH 121450# 20/40 SAND @ .5 - 2 PPG. MTP 6241 PSIG. MTR 65.2 BPM. ATP 5725 PSIG. ATR 54.8 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7430'. PERFORATE UPR FROM 7202'-03', 7209'-10', 7238'-39', 7243'-44', 7325'-27', 7373'-75', 7389'-91', 7403'-05' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4200 GAL SLICKWATER PAD, 65016 GAL SLICKWATER WITH 81450# 20/40 SAND @ .5 - 2 PPG. MTP 6145 PSIG. MTR 72.8 BPM. ATP 5645 PSIG. ATR 62.5 BPM. ISIP 2380 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7114'. BLEED OFF PRESSURE. RDWL. SDFN.

09-10-2008		Reported By		BAUSCH							
Daily Costs: Drilling		\$0		Completion		\$6,035		Daily Total		\$6,035	
Cum Costs: Drilling		\$760,823		Completion		\$489,299		Well Total		\$1,250,122	
MD	9,530	TVD	9,530	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9471.0			Perf : 7202-9301			PKR Depth : 0.0		
Activity at Report Time: CLEAN OUT AFTER FRAC											

Start	End	Hrs	Activity Description
11:00	15:00	4.0	MIRUSU. ND FRAC VALVES. NU BOPE. SDFN.

09-11-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$24,548	<b>Daily Total</b>	\$24,548
<b>Cum Costs: Drilling</b>	\$760,823	<b>Completion</b>	\$513,847	<b>Well Total</b>	\$1,274,670
<b>MD</b>	9,530	<b>TVD</b>	9,530	<b>Progress</b>	0
<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9471.0</b>		<b>Perf : 7202-9301</b>	
<b>Activity at Report Time: CLEAN OUT AFTER FRAC</b>		<b>PKR Depth : 0.0</b>			

Start	End	Hrs	Activity Description
07:00	17:00	10.0	RIH W/MILL & PUMP OFF BIT SUB TO 7114'. RU TO DRILL PLUGS. SDFN.

09-12-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$26,826	<b>Daily Total</b>	\$26,826
<b>Cum Costs: Drilling</b>	\$760,823	<b>Completion</b>	\$540,673	<b>Well Total</b>	\$1,301,496
<b>MD</b>	9,530	<b>TVD</b>	9,530	<b>Progress</b>	0
<b>Days</b>	18	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9347.0</b>		<b>Perf : 7202-9301</b>	
<b>Activity at Report Time: FLOW TEST</b>		<b>PKR Depth : 0.0</b>			

Start	End	Hrs	Activity Description
07:00	06:00	23.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7114', 7430', 7810', 8145', 8360', 8670' & 9010'. RIH. CLEANED OUT TO 9347'. LANDED TBG AT 8004' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FINAL COMPLETION DATE 9/11/08.

FLOWED 11 HRS. 32/64" CHOKE. FTP 1100 PSIG. CP 1550 PSIG. 110 BFPH. RECOVERED 1320 BBLs, 12026 BLWTR.

TUBING DETAIL    LENGTH

PUMP OFF SUB    1.00'  
 1 JT 2-3/8" 4.7# N-80 TBG    32.44'  
 XN NIPPLE    1.30'  
 247 JTS 2-3/8" 4.7# N-80 TBG    7955.64'  
 2-3/8" N-80 NIPPLE & COUPLING    .60'  
 BELOW KB    13.00'  
 LANDED @    8003.98' KB

09-13-2008      Reported By      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$3,225	<b>Daily Total</b>	\$3,225
<b>Cum Costs: Drilling</b>	\$760,823	<b>Completion</b>	\$543,898	<b>Well Total</b>	\$1,304,721
<b>MD</b>	9,530	<b>TVD</b>	9,530	<b>Progress</b>	0
<b>Days</b>	19	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9347.0</b>		<b>Perf : 7202-9301</b>	
<b>Activity at Report Time: FLOW TEST TO SALES</b>		<b>PKR Depth : 0.0</b>			

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1000 PSIG. CP 1850 PSIG. 82 BFPH. RECOVERED 1895 BLW. 10131  
BLWTR. 845 MCFD RATE.

09-15-2008 Reported By BAUSCH/ DUANE COOK

Daily Costs: Drilling \$0 Completion \$2,575 Daily Total \$2,575

Cum Costs: Drilling \$760,823 Completion \$546,473 Well Total \$1,307,296

MD 9,530 TVD 9,530 Progress 0 Days 21 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 9347.0 Perf : 7202-9301 PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION- OPENING PRESSURE: TP 1400 PSIG & CP 1650 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 11:00 HRS, 09/12/08. FLOWED 805 MCFD RATE ON 24/64" CHOKE. STATIC 252. QGM METER #7851. THROUGH TEST UNIT.

FLOWED 24 HRS. 24/64" CHOKE. FTP 750 PSIG. CP 1550 PSIG. 60 BFPH. RECOVERED 1439 BLW. 6924 BLWTR.  
1265 MCFD RATE.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU0284A

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI		
2. Name of Operator EOG RESOURCES, INC.			Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202			3a. Phone No. (include area code) Ph: 303-824-5526		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SENE 2256FNL 939FEL 40.02252 N Lat, 109.42001 W Lon At top prod interval reported below SENE 2256FNL 939FEL 40.02252 N Lat, 109.42001 W Lon At total depth SENE 2256FNL 939FEL 40.02252 N Lat, 109.42001 W Lon			8. Lease Name and Well No. CHAPITA WELLS UNIT 1089-22		
14. Date Spudded 07/07/2008			15. Date T.D. Reached 08/11/2008		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 09/12/2008			9. API Well No. 43-047-37609		
18. Total Depth: MD 9530 TVD			19. Plug Back T.D.: MD 9347 TVD		
20. Depth Bridge Plug Set: MD TVD			10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE		
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR Temp.			11. Sec., T., R., M., or Block and Survey or Area Sec 22 T9S R22E Mer SLB		
12. County or Parish UINTAH			13. State UT		
17. Elevations (DF, KB, RT, GL)* 4921 GL			12. County or Parish UINTAH		
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)			17. Elevations (DF, KB, RT, GL)* 4921 GL		

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2218		885		0	
7.875	4.500 N-80	11.6	0	9516		1954		640	

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8004							

## 25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7202	9301	9077 TO 9301		3	
B)			8725 TO 8986		3	
C)			8404 TO 8639		3	
D)			8176 TO 8342		3	

## 26. Perforation Record 7202

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
9077 TO 9301	70,822 GALS GELLED WATER & 94,000# 20/40 SAND
8725 TO 8986	82,855 GALS GELLED WATER & 98,800# 20/40 SAND
8404 TO 8639	82,514 GALS GELLED WATER & 97,500# 20/40 SAND
8176 TO 8342	79,293 GALS GELLED WATER & 98,300# 20/40 SAND

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/12/2008	09/29/2008	24	→	10.0	485.0	140.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
14/64"	800 SI	1100.0	→	10	485	140		PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

RECEIVED

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #63936 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED

OCT 21 2008  
DIV. OF OIL, GAS & MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	7202	9301		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1724 2342 4612 4730 5314 6008 7184 8032

## 32. Additional remarks (include plugging procedure):

Please see the attached sheet for detailed perforation and additional formation marker information.

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7. Other:     |                       |

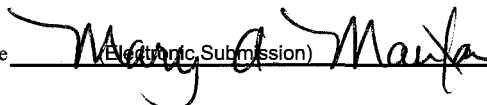
## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #63936 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 10/16/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***



**Chapita Wells Unit 1089-22 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7872-8129	3/spf
7470-7787	3/spf
7202-7405	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7872-8129	71,152 GALS GELLED WATER & 85,300# 20/40 SAND
7470-7787	94,455 GALS GELLED WATER & 121,450# 20/40 SAND
7202-7405	69,381 GALS GELLED WATER & 81,450# 20/40 SAND

Perforated the Lower Price River from 9077-78', 9140-41', 9149-50', 9154-55', 9161-62', 9169-70', 9191-93', 9241-42', 9256-57', 9284-85', 9300-01' w/ 3 spf.

Perforated the Middle/Lower Price River from 8725-26', 8746-47', 8786-87', 8799-8800', 8815-16', 8859-60', 8880-81', 8903-04', 8917-18', 8954-55', 8968-69', 8985-86' w/ 3 spf.

Perforated the Middle Price River from 8404-05', 8420-21', 8429-30', 8470-71', 8498-99', 8511-12', 8517-18', 8584-85', 8589-90', 8613-14', 8633-34', 8638-39' w/ 3 spf.

Perforated the Middle Price River from 8176-77', 8188-89', 8198-99', 8206-07', 8213-14', 8227-28', 8233-34', 8260-61', 8289-90', 8296-97', 8314-15', 8341-42' w/ 3 spf.

Perforated the Upper/Middle Price River from 7872-73', 7899-7900', 7922-23', 7946-47', 7998-99', 8065-66', 8091-92', 8099-8100', 8105-06', 8111-12', 8122-23', 8128-29' w/ 3 spf.

Perforated the Upper Price River from 7470-71', 7507-08', 7555-56', 7568-69', 7622-23', 7657-58', 7697-98', 7736-37', 7745-46', 7771-72', 7785-87' w/ 3 spf.

Perforated the Upper Price River from 7202-03', 7209-10', 7238-39', 7243-44', 7325-27', 7373-75', 7389-91', 7403-05' w/ 3 spf.

**32. FORMATION (LOG) MARKERS**

Lower Price River	8818
Sego	9334

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1089-22

API number: 4304737609

Well Location: QQ SENE Section 22 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,640	1,650	NO FLOW	NOT KNOWN
1,790	1,810	NO FLOW	NOT KNOWN

Formation tops:  
(Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE

Mary A. Maestas

DATE

10/16/2008

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-0284-A
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> CWU 1089-22
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 2256 FNL 0939 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENE Section: 22 Township: 09.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047376090000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> <b>ACIDIZE</b>	
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 5/20/2009	<input type="checkbox"/> <b>ALTER CASING</b>	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> <b>CASING REPAIR</b>	
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	
	<input type="checkbox"/> <b>CHANGE TUBING</b>	
	<input type="checkbox"/> <b>CHANGE WELL STATUS</b>	
	<input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	
	<input type="checkbox"/> <b>DEEPEN</b>	
	<input type="checkbox"/> <b>FRACTURE TREAT</b>	
	<input type="checkbox"/> <b>OPERATOR CHANGE</b>	
	<input type="checkbox"/> <b>PLUG AND ABANDON</b>	
	<input type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	
	<input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>	
	<input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>	
	<input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>	
	<input type="checkbox"/> <b>TUBING REPAIR</b>	
	<input type="checkbox"/> <b>VENT OR FLARE</b>	
	<input type="checkbox"/> <b>WATER SHUTOFF</b>	
	<input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>	
	<input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>	
	<input checked="" type="checkbox"/> <b>OTHER</b>	
	<b>OTHER:</b> Pit Closure	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> The reserve pit on the referenced location was closed on 5/20/2009 as per the APD procedure.		
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> June 10, 2009		
<b>NAME (PLEASE PRINT)</b> Kaylene Gardner	<b>PHONE NUMBER</b> 435 781-9111	<b>TITLE</b> Regulatory Administrator
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/10/2009	